

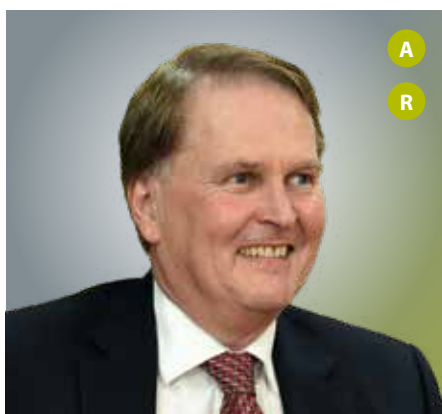
Our strong leadership team

The Board and its committees have the appropriate balance of skills, experience, independence and knowledge of the Company to enable them to discharge their responsibilities effectively.

They contain a diverse range of skills, backgrounds and experiences to enable a broad evaluation of all matters considered and to contribute to a positive culture of mutual respect and constructive challenge.

Collectively the Board is recognised as being extremely experienced, highly energetic, incredibly forward thinking and they have a proven track record of innovating to stay ahead.

In building the leadership team, careful consideration has been given to matching jobs to people's strengths, ensuring that each person adds value and drives profitable growth.



1. John Foley
Chairman

Appointment
Co-founder

Experience

John is a co-founder of the Group and was chief executive of MacLellan Group plc (MacLellan), a facilities services company, from 1994 until it was acquired by Interserve plc for an enterprise value of £130m in June 2006. At the time of John's appointment, MacLellan was loss making, with a turnover of circa £5m and 50 employees. When it was sold to Interserve, MacLellan had a turnover of circa £250m and a profit before tax of circa £9m, with 13,500 employees. MacLellan grew through a series of acquisitions and organic growth.

Skills brought to the Board

Significant sector experience as co-founder of PTSG and previous experience in the sector through MacLellan. John is a Chartered Accountant and barrister bringing his skills to the fore during PTSG's acquisitions and has extensive experience of working within listed companies.



2. Paul Teasdale
Chief Executive Officer

Appointment
Co-founder

Experience

Paul is a co-founder of the Group and has significant experience and expertise in the access and safety sector, having founded TASS Europe Limited (TASS), whose activities included the installation, repair and maintenance of safety eyebolt systems, cradle and safety ladder tie systems, in 1999. TASS was sold to MacLellan in 2004 for £6m and Paul joined MacLellan as managing director of TASS.

Skills brought to the Board

Significant sector experience as co-founder of PTSG and previous experience in the sector through TASS.



3. Roger Teasdale
Managing Director

Appointment
November 2014

Experience

Roger was previously president of the advanced wound management division (divisional revenue of \$1.4bn, with 4,000 employees) of Smith & Nephew Plc. Roger was employed by Smith & Nephew Plc for 25 years and held a number of key roles including president of their North American business, president of their extruded films division and senior vice president of advanced wound care.

Skills brought to the Board

Roger is a qualified Chartered Accountant and holds a BA in Accounting and Management Control. Significant PLC experience.

Committees

- A** Audit Committee Member
- R** Remuneration Committee Member
- Denotes Committee Chair



4. Mark Watford

Finance Director

Appointment

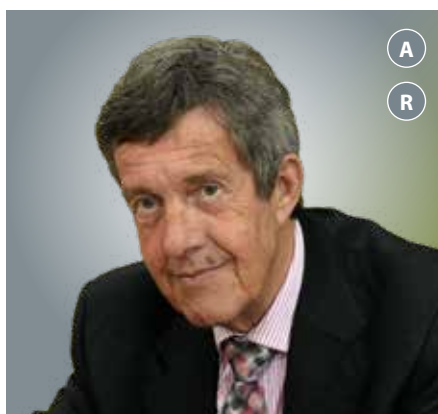
September 2014

Experience

Mark was a vice president of finance at Smith & Nephew Plc and a member of the global executive management team of its advanced wound management division. Prior to Smith & Nephew Plc, Mark was finance director and managing director of a regional firm of building contractors.

Skills brought to the Board

Mark is a Chartered Accountant bringing financial expertise to the Company.



5. Alan Howarth

Non-executive Director

Appointment

February 2015

Experience

Alan joined the Board on Admission. He is Chairman of Cerillion plc, Tern plc and Essential Ltd plus a number of other companies, nationally and internationally. He was previously a senior partner with Ernst Young.

Skills brought to the Board

Finance, communications and business development skills.



6. Michael Higgins

Non-executive Director

Appointment

January 2018

Experience

Michael joined the Board in January 2018. Michael is senior independent director of AIM quoted Plant Health care plc, a non executive director of Progility Limited, the Non-executive Chairman of IPSX UK Limited, a recognised investment exchange, a non-executive director of the Quoted Companies Alliance ("QCA") and an alternate member of the Panel on Takeovers and Mergers on behalf of the QCA. He has interests in other private businesses in both software development and specialist on-line publishing and events. After reading economics and politics at Cambridge, Michael qualified as an accountant at Price Waterhouse. Following international banking experience with Saudi International Bank he joined Charterhouse, the merchant bank, in 1984. Michael became a KPMG Partner from 1996 to 2006, remaining a senior adviser for a further five years.

Skills brought to the Board

Finance, business development and corporate governance skills.

Governance framework

Good governance of PTSG continues to be a high priority.



The Board recognises the value and importance of high standards of corporate governance and observes the requirements of The Corporate Governance Code published by the Quoted Companies Alliance ("QCA").

Compliance

The Company complies with all the provisions of the QCA with the exception of the following:

- Nomination Committee – the company does not have a separate Nomination Committee as the Board is small and relatively stable. Any appointments are for the matter of the Board as a whole.
- Audit Committee Report will be included in the future.
- Board evaluation – there has been no formal evaluation of the Board. It is anticipated that this will occur in the future.

Principle 1: Establish a strategy and business model which promote long-term value for shareholders

Premier Technical Services Group PLC ("PTSG") is the UK's leading provider of façade access and fall arrest equipment services, lightning protection and electrical testing, steeplejack and rope access services and fire solutions. PTSG aims to maintain and expand its position in its chosen markets through the company's:

- competitive advantage and operational efficiency;
- scalability of the business model to support organic growth and complementary acquisitions;
- innovations as illustrated by the introduction of PTSG Clarity, our PDA-based software programme;
- cross selling and services to our extensive customer base.

Principle 2: Seek to understand and meet shareholder needs and expectations

PTSG is committed to listening and communicating with its shareholders to ensure that its strategy, business model and performance are clearly understood.

Copies of our annual report (which includes the notice of AGM) and the interim report are sent to all shareholders and copies can be downloaded from the investor relations section of our website, www.ptsg.co.uk along with company presentations – alternatively, they are available on request by writing to the Company Secretary at 13 Flemming Court, Whistler Drive, Castleford WF10 5HW.

We have an on-going programme of individual meetings with institutional shareholders and analysts following the full-year and half-year results. Additional meetings with institutional investors and/or analysts are arranged from time to time. Board members receive copies of feedback reports from the City presentations and meetings, thus keeping them in touch with shareholder opinion.

The board supports the use of the AGM to communicate, in particular with private investors and all directors are present at the AGM to answer any questions raised by shareholders. For each vote, the number of proxy votes received for, against and withheld is announced at the meeting. The results of the AGM are announced by a Regulatory News Service ("RNS") and are detailed on the website.

Principle 3: Take into account wider stakeholder and social responsibilities and their implications for long term success

In addition to our shareholders, suppliers, customers and employees are our most important stakeholder Groups.

All new employees receive a full induction into the business and are kept regularly updated via a quarterly newsletter which is sent to all employees. Due to the niche specialist services which PTSG offer, we have a comprehensive training and skill matrix to ensure all employees have the necessary skills to perform their job safely. In addition there is a full suite of policies that can be downloaded from our website.

PTSG undertakes regular reviews and meetings with both suppliers and customers to ensure that our combined responsibilities are understood and adhered to. This is supplemented by a regular customer newsletter.

Principle 4: Embed effective risk management, considering both opportunities and threats throughout the organisation

The Board is responsible for the overall management of the Group including the formulation and approval of the Group's long-term objectives and strategy, the approval of budgets, the oversight of Group operations, the maintenance of sound internal control and risk management systems and the implementation of the Group's strategy, policies and plans.

Whilst the Board may delegate specific responsibilities, there is a formal schedule of matters specifically reserved for decision by the Board; such reserved matters includes, amongst other things, approval of significant capital expenditure, material business contracts and major corporate transactions. The Board formally meets 10 times annually to review performance.

Control procedures

The Board approves the annual budget each year. This process allows the Board to identify key performance targets and risks expected during the upcoming year. The Board also considers the agreed budget when reviewing trading updates and considering expenditures throughout the year. Progress against budget is monitored via monthly reporting of actual financial performance against budget and prior year actual results.

The Group has clear authority limits deriving from the list of matters reserved for decision by the Board including amongst other things: capital expenditure approval procedures, material business contracts and major corporate transactions.

Principal risks and uncertainties

Pre-empting, assessing and managing risk is an important part of what we do at PTSG. Our leadership team has intricately assessed and established an effective command and control structure that drives processes and procedures that are designed to reduce risks that could conceivably occur within the organisation and across our supply chain partnerships.

Delivery plans are aligned to our business strategy and they are designed to reduce any potential risks whether they are safety-related, financial or operational.

Disclosure of the principal risks and uncertainties together with mitigation factors can be found on page 34.

There is no internal audit function due to the size of the Group and the close involvement of senior management over the Group's accounting systems; however, this is reviewed annually by the Audit Committee.

Share dealing code

The Company has adopted a share dealing code for the Directors and applicable employees of the Group for the purpose of ensuring compliance by such persons with the provisions of the AIM Rules relating to dealings in the Company's securities (including, in particular, Rule 21 of the AIM Rules). The Directors consider that this share dealing code is appropriate for a company whose shares are admitted to trading on AIM.

The Company has taken proper steps to ensure compliance by the Directors and applicable employees with the terms of the share dealing code and the relevant provisions of the AIM Rules (including Rule 21).

Principle 5: Maintaining the Board as a well-functioning, balanced team led by the Chair

The Code recommends a balance between Executive and Non-executive Directors and that there should be a minimum of two independent Non-executive Directors. The Company has two Non-executive Directors: Alan Howarth and Michael Higgins, in addition to the Chairman and three Executive Directors, thus providing balance within the Board.

The Directors consider all Non-executive Directors to be independent. Each of the Directors is subject to either an executive service agreement or letter of appointment. The Company's Articles of Association require one third of Directors to retire at every Annual General meeting.

The Board is satisfied that it has an appropriate balance between independence on one hand and knowledge of the business on the other.

The company had 10 Board meetings in the last 12 months with Board members attending all meetings they were invited to.

Principle 6: Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

Details and biographies on the Directors can be found on page 36. The Board has a diverse range of skill, backgrounds and expertise to enable a broad evaluation of all matters considered and to contribute to a positive culture of mutual respect and constructive challenge.

The executive directors are expected to devote the whole of their time, attention and ability to their duties, whereas, as one would expect, the Non-executives have a lesser time commitment. Training is available on request, where appropriate. The Board is kept up to date with legal, regulatory and governance matters by the Company Secretary. The Non-executive directors also have other external appointments which help keep their skillset up to date.

Independent advice

In addition to being able to take independent professional advice, the directors also have direct access to the advice and services of the Company Secretary.

Principle 7: Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

John Foley as Chairman assesses the individual contributions of the team; however, no formal evaluation has taken place. It is anticipated that this will occur in the future.

Succession planning both at Board level and within our senior management team is vital to the stability and continued growth of PTSG. PTSG has its own training academy which enables staff to progress within the business and fill roles that are created or as they become available. All employees have a contract of employment which has notice periods commensurate with their seniority to ensure sufficient time to recruit and ensure a smooth hand over. Vendors of acquired businesses who remain in the business are tied to earn-out periods, which ensures continuity of the business.

Principle 8: Promote a culture that is based on ethical values and behaviours

There are formalised policies covering areas such as anti-bribery and corruption, ethical sourcing and whistleblowing amongst others to assess the state of the Company's culture. The Board aims to lead by example and do what is in the best interest of the Company and regularly meets with staff in our open plan head office or at formal staff meetings or events.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision making by the Board

The role of the Chairman is to oversee the Board, fielding all concerns regarding the effective management of the Group and for ensuring appropriate strategic focus and direction. The role of the Chief Executive Officer is to formulate the strategic focus to the Board and to implement it in conjunction with the other executive Directors and the senior management team.

Information, meetings and attendance

The Board meets at least 10 times each year and has a full programme of Board meetings. The Board receives a comprehensive pack and has a clearly defined agenda which covers all areas of the business. The pack provides a full trading analysis against budget and includes detailed financial data and analysis.

The Company has external advisors on which it can call for expert advice on particular areas.

Board committees

The Board has an Audit Committee and a Remuneration Committee with formally delegated duties and responsibilities.

Audit Committee

The Audit Committee is responsible for monitoring the integrity of the Company's financial statements, reviewing significant financial reporting issues, reviewing the effectiveness of the Company's internal control and risk management systems, and overseeing the relationship with the external auditors (including advising on their appointment, agreeing the scope of the audit and reviewing the audit findings).

The Audit Committee comprises John Foley, Michael Higgins and Alan Howarth and is chaired by John Foley. The Audit Committee meets at least three times a year at appropriate times in the reporting and audit cycle and otherwise as required. The Audit Committee also meets regularly with the Company's external auditors.

Remuneration Committee

The Remuneration Committee is responsible for determining and agreeing with the Board the framework for the remuneration of Board members and other designated senior executives and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards. The remuneration of Non-executive Directors is a matter for the Chairman and the executive members of the Board. No Director is involved in any decision as to his or her own remuneration.

The Remuneration Committee comprises John Foley, Michael Higgins and Alan Howarth and is chaired by John Foley. The Remuneration Committee meets at least twice a year and otherwise as required.

Nomination Committee

The Company does not have a separate Nomination Committee as the Board is small and relatively stable. Any appointments are for the matter of the Board as a whole.

Principle 10: Communicate how the company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Board recognises and understands that it has a fiduciary responsibility to the shareholders and other stakeholders. The Chairman's Statement and Chief Executive's Statement in the Annual Report and Accounts include detailed analysis of the Group's strategy, performance and future expectations.

The Group's website (www.ptsg.co.uk) allows shareholders access to information, including contact details and the current share price, as well as a link to "About us" which provided information on the business and the services offered by the divisions of the Group.

The Group also releases RNS statements which highlight important matters such as acquisitions, Board changes, results announcements and trading update, voting results as a result of shareholder meetings, new banking facilities and significant shareholder details amongst others.

The Chief Executive is responsible for on-going dialogue and relationships with shareholders, alongside the Finance Director and Chairman. They can be contacted via our website www.ptsg.co.uk by telephone 01977 668 771 or in writing to Premier Technical Services Group plc, 11-14 Flemming Court, Whistler Drive, Castleford WF10 5HW.

Additionally, the Annual General Meeting provides a platform for the Board to communicate with shareholders and the Board welcomes the attendance and participation of all shareholders.

The Board received updates on the view of shareholders from the Executive Directors, Company's brokers: Numis Securities Ltd and our Corporate and Financial PR provider; Hudson Sandler.

By order of the Board

Adam Coates
Company Secretary

26 March 2019

The Remuneration Committee comprises John Foley, Michael Higgins and Alan Howarth and is chaired by John Foley. The Remuneration Committee meets at least twice a year and otherwise as required.

The Committee is responsible for determining and agreeing with the Board the framework for the remuneration of Board members and other designated senior executives and, within the terms of the agreed framework, determining the total individual remuneration packages of such persons including, where appropriate, bonuses, incentive payments and share options or other share awards. No Director is involved in any decision as to his or her own remuneration.

Non-executive directors

The remuneration of Non-executive Directors is a matter for the Chairman and the executive members of the Board.

Executive Directors

• Basic salary and bonus arrangements

Each director receives an annual salary for their services. These salaries are reviewed annually by the Remuneration Committee and take into account the financial performance of the Group and market conditions. The group operates a bonus scheme with the Committee entitled to decide whether any bonuses are payable, and if so, what amounts should be granted to Executive Directors.

• Pensions and benefits in kind

All staff, Executive Directors and senior management are entitled to participate in the Group's pension scheme. Benefits are provided to certain Executive Directors including fully expensed car or car/fuel allowance and private medical insurance.

• Share based payment

Under the terms of his service agreement, the Company shall issue to Roger Teasdale additional equity calculated on the then issued share capital of the Company on the achievement of certain milestone targets. Full details are given in Note 13 to the Financial Statements.

On behalf on the Remuneration Committee

J Foley

Chairman of the Remuneration Committee

26 March 2019

Directors' remuneration

Directors' remuneration for the year ended 31 December 2018 is set out below:

	Basic salary £'000	Benefits in kind £'000	Total 2018 £'000	Total 2017 £'000
John Foley	100	2	102	103
Paul Teasdale	120	5	125	124
Roger Teasdale	400	17	417	828
Mark Watford	150	17	167	160
Alan Howarth	30	–	30	30
Michael Higgins	29	–	29	0
	829	41	870	1,245

Directors' interests

Director's beneficial interests in the shares of the Company, including family interests, at 31 December were as below:

	31 December 2018	
	Number of shares	% of issued share capital
John Foley	18,503,791	15.0%
Paul Teasdale	19,503,791	15.8%
Roger Teasdale	6,210,311	5.0%
Mark Watford	57,692	0.1%
Michael Higgins	–	–
Alan Howarth	–	–

The Directors present their report and the audited financial statements for the year ended 31 December 2018.

Premier Technical Services Group plc (the Company) is a public limited company incorporated and domiciled in the United Kingdom and under the Companies Act 2006.

The address of the Company's registered office is 13 Flemming Court, Whistler Drive, Castleford WF10 5HW.

Business review and development

Further information on the activities of the business, the Group strategy and an indication of the outlook for the business are presented in the Chairman's Statement and Chief Executive Officer's Review.

Financial results

Details of the Group's financial results are set out in the Consolidated Statement of Comprehensive Income, other primary statements and in the Notes to the Consolidated Financial Statements on pages 48 to 72.

Dividends

Following admission the Board has adopted a progressive dividend policy that will take accounts of the long term earnings trend of the Group, the availability of cash and distributable reserves and allow the Group to maintain a dividend cover of four times. Details of dividends paid in the year are given in note 22 of the Consolidated Financial Statements.

Going concern

After completing a full review, the Directors have a reasonable expectation that the Group has adequate resources to fund its operations for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements.

Directors

The Directors who served on the Board and on Board Committees during the year are set out on pages 36 and 37.

Under the Articles of Association of the Company, one third of the Directors are subject to retirement by rotation at the forthcoming Annual General Meeting, notice of which accompanies this Report and Accounts. John Foley and Mark Watford will seek re-election. In relation to the re-elections of each of the Directors the Board is satisfied that each of these directors continues to be effective and to demonstrate commitment to the Company.

Directors' shareholdings

Directors' beneficial interests in the shares of the Company, including family interests, at 31 December were as below.

	31 December 2018		31 December 2017	
	Number of shares	% of issued share capital	Number of shares	% of issued share capital
John Foley	18,503,791	15.0%	19,253,791	18.4%
Paul Teasdale	19,503,791	15.8%	20,253,791	19.4%
Roger Teasdale	6,210,311	5.0%	3,466,617	3.3%
Mark Watford	57,692	0.1%	57,692	0.1%
Michael Higgins	—	—	—	—
Alan Howarth	—	—	—	—

None of the Directors had any interests in the share capital of subsidiaries apart from Paul Teasdale who holds one share in PTSG Access and Safety Ltd.

Substantial shareholdings and share capital

The Company has one class of share in issue, being ordinary shares with a nominal value of 1 pence each. During the year 18,665,282 ordinary shares were issued with a nominal value of £186,652.82. As at 31 December 2018 there were 123,186,942 shares in issue. Further details of the shares issued are given in note 20 of the financial statements.

As at 25 March 2019, being the latest practicable date prior to the publication of this document, the Company has been advised of the following shareholdings of 3% or more in the issued share capital of Premier Technical services Group plc:

	Number of shares	% of issued shares
John Foley	18,503,791	15.0%
Paul Teasdale	19,503,791	15.8%
First Pacific Advisors LLC	14,275,204	11.6%
Hawk Investment Holdings Ltd	12,089,450	9.8%
Roger Teasdale	6,210,311	5.0%
Danske Bank	5,720,006	4.6%
BlackRock Inc	5,630,846	4.6%
Didner & Gerge	3,550,000	2.9%

Payment of suppliers

It is the Group's policy to pay suppliers in accordance with the terms and conditions agreed in advance, providing all trading terms and conditions have been met. All payments are made in the ordinary course of business and the Group expects to pay all supplier debts as they become due.

Research and development

During the year the Group incurred £0.2m (2017: £0.2m) of expenditure on research activity.

Financial risk management

Due to the nature of the financial instruments used by the Group comprising bank balances, trade creditors, trade debtors and finance lease agreements, there is no exposure to price risk. The liquidity risk on the above areas is regularly monitored by the Directors.

The Group monitors credit risk closely and considers that its current policies meet its objectives of managing exposure to the risk. The Group has no significant concentration of credit risk.

Employment policy

It is the policy of the Group to operate a fair employment policy. No employee or job applicant is less favourably treated than another on the grounds of their sex, sexual orientation, age, marital status, religion, race, nationality, ethnic or national origin, colour or disability and all appointments and promotions are determined solely on merit. The Directors encourage employees to be aware of all issues affecting the Group and issues a quarterly newsletter to all employees informing them of all current developments within the business.

Environment

The Group adheres to all environmental regulations and has, where possible, utilised environmental-sustaining policies such as recycling and waste reduction.

Post balance sheet events

During the year ended 31 December 2018, PTSG provided consultancy services to Trinity Fire and Security Systems Limited which was subsequently acquired in a separate transaction and is now a subsidiary of the Group, see note 3. On 21 January 2019 the Company acquired Trinity Fire and Security Systems Protection Ltd, a well-established, high quality specialist in the testing, maintenance and installation of fire and security systems, based in Exeter, with 10 offices throughout the UK. Initial consideration was a cash payment of £10.8m with deferred consideration of up to £5.0m payable over two years, subject to Trinity achieving stretching and escalating milestone profitability targets which are self-financing in each of those periods. The deferred consideration can be paid in cash or shares at the option of PTSG.

In March 2019 the group refinanced its banking facilities with HSBC. Further details are provided in the Financial Review on page 33.

Annual General Meeting

The Company's Annual General Meeting will be held at 13 Flemming Court, Whistler Drive, Castleford WF10 5HW on 17 June 2019. Details of the resolutions to be proposed are set out in a separate Notice of Meeting which accompanies this report.

Independent Auditor

A resolution to reappoint PricewaterhouseCoopers LLP will be proposed at the Annual General Meeting.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union, and the parent company financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101). Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether IFRSs as adopted by the European Union and applicable UK Accounting Standards including FRS 101 have been followed, subject to any material departures disclosed and explained in the Group and parent company financial statements respectively; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Provision of information to auditor

Each of the persons who is a Director at the date of approval of this report confirm that there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken the steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

By order of the Board

Adam Coates
Company Secretary

26 March 2019